



Constraints to increasing agricultural productivity in Nigeria: a review

By

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Background

- 1970-85: macroeconomic policies promoted distortions:
- dictated domestic prices and exchange rates
- over valuation of the exchange rates;
- several distortions prepared the way for the Structural Adjustment Programme (SAP) in 1986

A decorative banner at the top of the slide features several white line-art icons on a light yellow background. From left to right, the icons include: a leafy branch, a fish, a person riding a tractor, a cow, a carrot, and a plant with large leaves. The text 'APSF:' is centered over this banner in a bold, black, sans-serif font.

APSF:

- This review is a component of the agricultural policy support facility (APSF) initiative.
- APSF aims to contribute to the design and implementation of agricultural policies and strategies in Nigeria
- Policies: evidence based, pro-poor, gender sensitive and environmentally sustainable.



Presidential initiatives

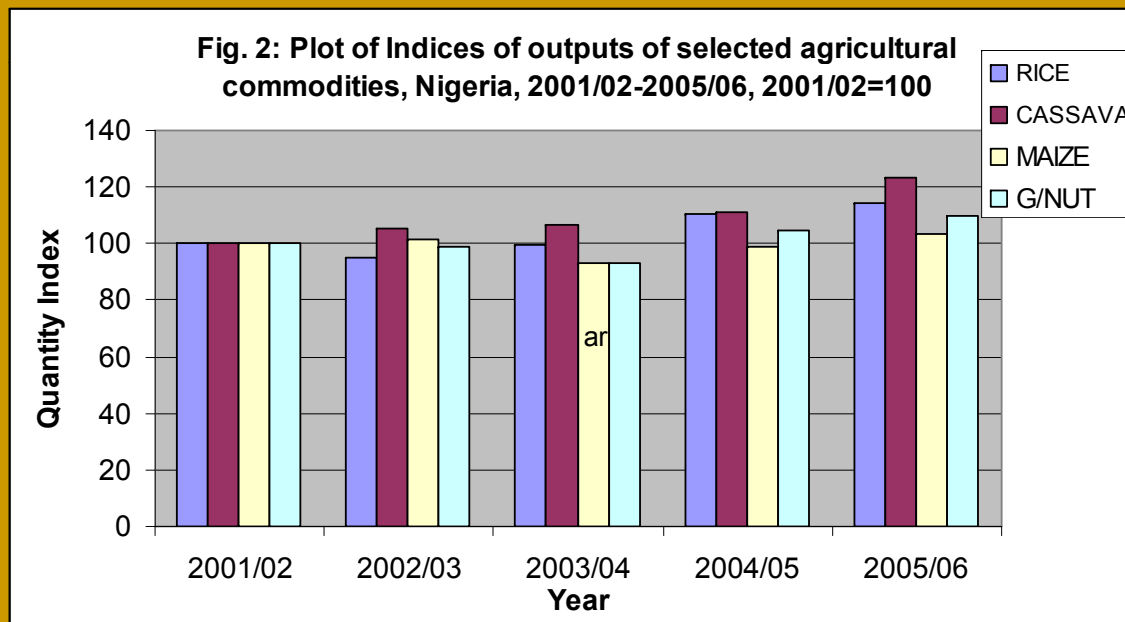
- Emphasis:
- cassava, rice, vegetable oil, tree crops, livestock, fisheries and aquaculture (FDA/FMANR, 2006).



Implementation constraints:

- inadequate and untimely fund release by all tiers of government;
- high costs of production inputs and farm machineries;
- High cost of processing equipment due to high offshore costs;

Impact of presidential initiatives





Commodity Specific Constraints

Cassava Production constraints

- Varietal multiplication problems e.g.
- Low outgrowers participation due to:
 - poor tuber prices
 - high production costs
 - TVC mainly herbicides + cuttings



Maize production constraints

- Improved maize varieties that have been developed
- Seed multiplications: ADPs + Private outgrowers' scheme
- Scheme constantly threatened: fertilizer shortages and lack of protection for the outgrowers.



Rice production constraints

- Seed multiplications: ADPs + private outgrowers' scheme.
- Scheme threatened by fertilizer shortages and lack of protection for the outgrowers.



Major constraints of livestock production

PCOL (2003):

- biological limitations: indigenous breeds of animals;
- Seasonality of feed, water and good quality pasture;
- Poor vet services and costly drugs
- inconsistent livestock trade policies.



SECTOR-WIDE AGRICULTURAL PRODUCTIVITY CONSTRAINTS IN NIGERIA



A decorative header banner with a light yellow background. It features faint, stylized illustrations of various agricultural elements: a fish, a tractor, a cow, a person, and various plants and vegetables like carrots and leafy greens.

Poor agricultural pricing policies

- Past fertilizer policy: subsidy
- main challenge: fertilizer subsidy has not been pro-poor;
- Subsidies: budgetary burden on the government in Nigeria.
- Constrains investments in research and extension, etc.



Low fertilizer use:

- Nigeria: fertilizer use averages 10 -15 Kg per ha (IFDC, 2006).
- Two needed interventions:
- Farmers' ability to afford fertilizers must be enhanced.
- Need to develop domestic capacity for fertilizer production.



Gender and agricultural productivity:

- women are substantially involved in on-farm production activities
- Contributes marketing, water and firewood fetching, cooking and caring for the children.

Farming activity	Funtua (Katsina state)	Zonkwa (Kaduna state)
Land preparation	17	80
Ridging	0	30
Planting	17	100
Weeding	0	80
Fertilizer application	33	90
Harvesting	0	100
Transporting	33	100

Table 8: Percentage of women performing specific farming activities, Katsina and Kaduna states.



Low access to agricultural credit:

- Banks have larger funds
- Conditionalities e.g. collateral limit smallholder access
- See Table 10
- Formal loans also of short-term nature

Study	Commodity	Activity	Source of credit	No. %	
				No.	%
Murana (2005)	Maize/ Sorghum	Production	Bank	1	1.1
			Money lenders	0	0.0
			Cooperatives	29	30.5
			Friends/family	1	1.1
			Personal savings	64	67.4
			Total	95	100.0
Bolarinwa (2006)	Cassava, maize	Production	Bank	17	11.3
			Money lenders	0	0.0
			Cooperatives	48	31.8
			Friends/family	1	0.7
			Personal savings	85	54.3
			Total	151	100.0
Ayeni (2005)	Cassava	Marketing	Bank	4	6.7
			Money lenders	0	0.0
			Cooperatives	5	8.3
			Friends/family	2	3.3
			Personal savings	49	81.7
			Total	60	100.0

Table 10: Distribution of respondents by commodity, economic activity and sources of credit, South West Nigeria.

A decorative banner at the top of the slide features a light yellow background with various agricultural icons in a darker yellow color. The icons include a fish, a tractor, a cow, a pig, and various plants and vegetables like corn and carrots.

Low and unstable investment in agricultural research:

- Agricultural research funding in Nigeria: Federal government.
- Private sector research funding: negligible to date.
- political instability through the years has hampered long term private investments in agricultural research. (Beintema and Ayoola, 2004).



- Public spending on R and D per \$100 of agricultural output < 1% agric output
- The budget process for agricultural research funding in Nigeria is complex.
- Untimely + monthly release of approved funds; leaves virtually no space for long term research planning

The background of the slide features a collage of agricultural-related illustrations in a light yellow-green color. These include a fish, a tractor, a cow, a carrot, and various plants and leaves. The text 'Agricultural extension: A continuing and coordination of' is partially visible at the top, with 'Agricultural extension:' being the main title.

Agricultural extension:

- T & V prevailed initially
- In 1992, NCA approved UAES:
- implementation hampered by poor funding
- Related constraints:
- Bureaucracies
- rivalry and duplication of resources
- huge bias in favour of cropping activities.



Land tenure system and land degradation:

- Communal system of land ownership prevails among most ethnic groups; (Onyebinama, 2004).
- Communal land ownership: disincentive to the improvement of land quality and long term investment in land management.
- LUA 1978 vs weaknesses in the group ownership of land
- transfer custodian of land to state and local government authorities.



Poor market access

- Limited or poor quality transportation:
- inhibits timely access to inputs;
- increases cost of input;
- decreases access to output markets.
- a major disincentive.

Nature of agricultural marketing constraints	% responding **
Perishability of produce	100
Poor/lack of market access roads	50
Poor producer prices	83
Poorly developed village market	58
Lack of credit for agro-processing	58
High transport costs	67

Table 16: Distribution of respondents by specific nature of agricultural marketing constraints, SW Nigeria

S/No	Constraints	North west N=45	North east N=45	Central N=45	South east N=45	South west N=45
1	High fertilizer cost	93.3	100	100	100	71.4
2	High labour cost	0	100	100	100	85.7
3	High agro-chemical cost	100	100	100	100	100
4	Improved seed scarcity	100	100	100	100	42.9
5	High improved seed cost	100	100	100	100	100
6	Agricultural credit scarcity	100	100	100	100	100
7	Transport availability	0	100	100	100	78.6
8	High transport cost	100	100	100	100	100
9	Crop storage facility	0	71.4	0	100	85.7
10	Livestock product preservation	0	100	0	100	100
11	Crop pests and diseases	100	80.9	71.4	100	100
12	Animal pests and diseases	100	38.1	71.4	100	100
13	High cost of poultry feed	0	66.7	0	0	100
14	Insecure land holding	0	71.4	0	100	71.4
15	High cost of animal drugs	100	42.9	42.9	100	100
16	Unsuitable livestock breeds	0	100	0	100	57.1
17	Inadequate extension services	100	100	0	100	50

Source: FACU (1999): Evaluation of crop-livestock integration at the small-scale level in Nigeria, Final report, May 1999.



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